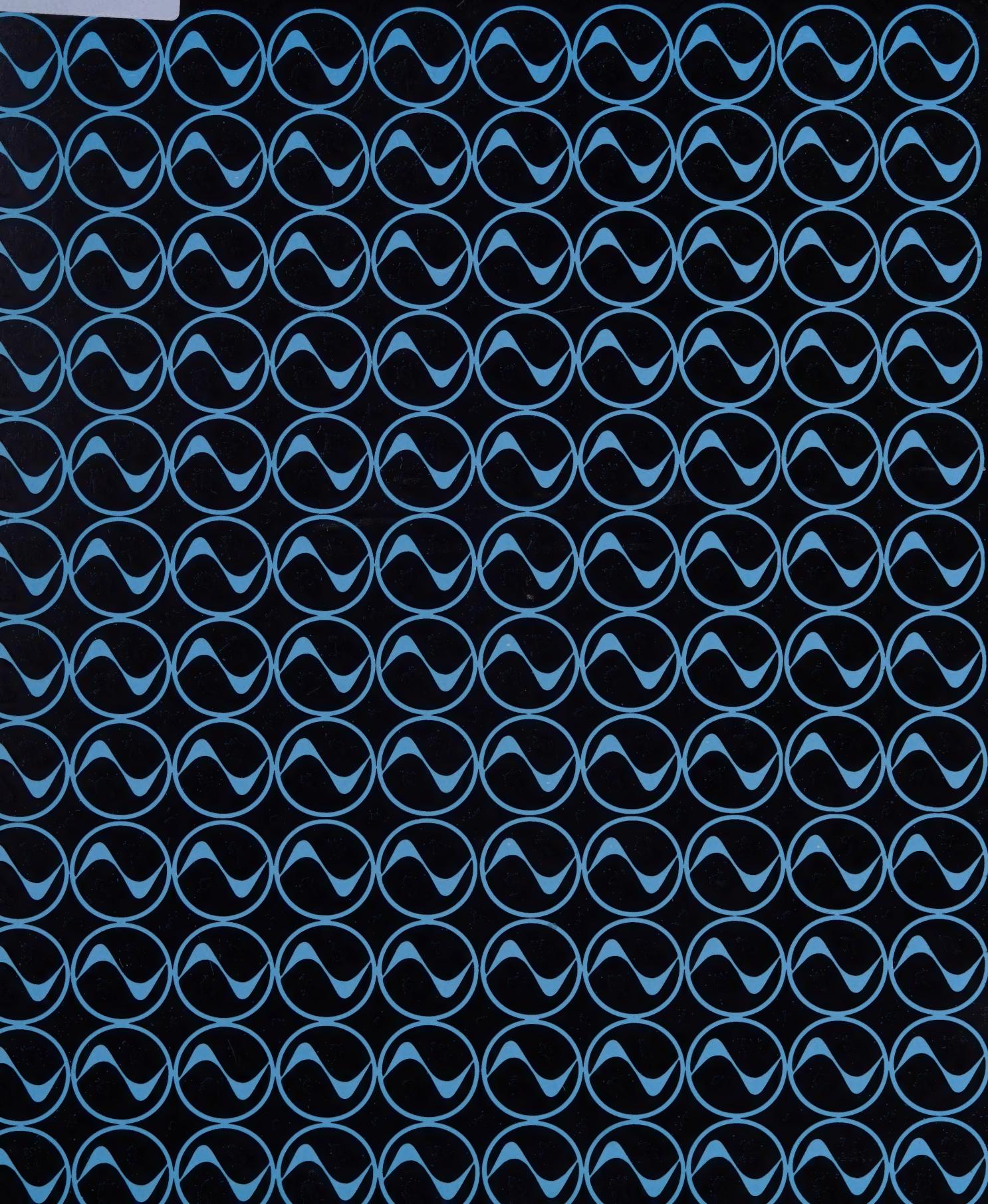


Standard Broadcasting Corporation Limited
Annual Report 1979-80

AR20





Standard Broadcasting Corporation Limited

Directors

* Conrad M. Black
* G. Montegu Black
† G. Allan Burton, D.S.O., E.D.
* Dixon S. Chant
Pierre P. Daigle
Jacques J. Giasson
Donald H. Hartford
†* H. N. R. Jackman
† W. Leo Knowlton, Q.C.
* H. T. McCurdy
Richard R. Moody
† M. Brian Mulroney
Lawrence M. Nichols
John R. Storar

* Executive Committee
† Audit Committee

Officers

Chairman of the Board, G. Montegu Black
President and C.E.O., H. T. McCurdy
Vice-President, Radio, Donald H. Hartford
Vice-President, Sales, Richard R. Moody
Vice-President, Television, Lawrence M.
Nichols
Vice-President, Finance,
Secretary and Treasurer,
Peter F. Searle, C.A.
Vice-President, J. Lyman Potts, C.M.
Assistant Secretary and Assistant
Treasurer, Patrick J. Kiely, C.A.

Bankers

Canadian Imperial Bank of Commerce
Toronto-Dominion Bank
Bank of Montreal
Midland Bank Limited

Auditors

Coopers & Lybrand

Transfer Agent and Registrar

Crown Trust Company, Toronto and Montreal

Solicitors

Aird & Berlis, Toronto
Slaughter and May, London

Exchange Listing

The Toronto Stock Exchange

Mailing Address

2 St. Clair Avenue West
Toronto, Ontario M4V 1L6

Operating Subsidiaries, Associated Companies and Trade Investments

Canada

Bushnell Communications Limited, Ottawa
Canadian Standard Broadcast Sales Inc.,
New York
Cable Converters Inc., Ottawa (44%)
Carleton Productions Limited, Ottawa
CFRB Limited, Toronto
CJAD Inc., Montreal
CTV Television Network Limited,
Toronto (9.3%)
Eastern Sound Company Limited, Toronto
Independent Communications Services
Limited, Ottawa
Intermedia Electronic Services Limited,
Ottawa
Skyline Cablevision Limited,
Ottawa (44%)
Standard Aircraft Holdings Limited, Toronto
Standard Broadcast Productions Limited,
Toronto
Standard Broadcast Sales Company Limited,
Toronto and Montreal
Standard Broadcasting Realty Limited,
Toronto
Standard Sound Systems Company Limited,
Montreal
Télécâble Laurentien Inc., Hull
VTR Productions Limited, Toronto
Yorkville Studio Centre Limited, Toronto

United Kingdom

Bradford Community Radio Limited
(Pennine Radio), Bradford (11.2%)
Broadcast Marketing Services Limited,
London
Capital Radio Limited, London (23.8%)
Devonair Radio Limited,
Exeter/Torquay (10%)
Gloucestershire Broadcasting Company
Limited, Gloucester (8%)
Leicester and Leicestershire Broadcasting
Company Limited, (Centre Radio),
Leicester (5%)
North of Scotland Radio Limited,
Aberdeen (10%)
North East Broadcasting Company Limited,
(Metro Radio), Newcastle (32.4%)
Plymouth Sound Limited, Plymouth (5.1%)
Radio Trent Limited, Nottingham (17.5%)
Sounds of Merseyside Limited, (Radio City),
Liverpool (6%)
Standard Broadcasting Corporation (U.K.)
Limited, London
Swansea Sound Limited, Swansea (8.6%)
West Yorkshire Broadcasting Company
Limited, Leeds (7.5%)

Continental Europe

SBC Holding B.V., The Netherlands
S.F.I.R. Standard Finanziaria Iniziative
Radiotelevise — S.p.A., Italy (50%)
S.P.E.R. Societa Pubblicita Emissenti
Radiofoniche — S.p.A., Italy (45%)
Standard Broadcasting (Italia) S.r.l., Italy

Standard Broadcasting Corporation Limited is a constrained-share
Corporation at least 80% of the shares of which must be beneficially owned
by persons who are Canadian citizens or who are corporations controlled in
Canada.

Report to the Shareholders



G. Montegu Black

In this, the 56th Annual Report of the Corporation, your Directors welcome the opportunity to present the results of the year ended August 31st, 1980.

Consolidated revenues of \$54,447,000 were 12% over the previous year. Net earnings at \$7,823,000, (\$1.38 per share), were 8.2% higher than the prior year's, \$7,232,000, (\$1.28 per share).

RADIO DIVISION

1979/1980 proved to be both exciting and demanding for the four radio stations which comprise your Radio Division. Under the guidance of Mr. Donald H. Hartford, new records were established for Division revenues, and net earnings held steady in a year of difficult economic conditions.

CFRB in Toronto remains the outstanding success story in Canadian radio. The station continues its carefully conceived and implemented plan of program improvement. With award winning news and public affairs programming, CFRB serves a loyal audience of almost 1½ million listeners in Metropolitan Toronto, Canada's largest retail sales market. And, new twin 50,000 watt transmitters, now in the final stages of construction, will give that vast audience the best possible signal in the years ahead.

CKFM-FM, also in Toronto, enjoyed an outstanding year. Its exciting and imaginative foreground programming, always the hallmark of CKFM-FM, found increasing acceptance amongst young adult audiences with resulting growth in both revenues and profits. Capital investment in the station continued to be substantial. During the year, CKFM-FM completed its previously announced construction program and now operates from "state of the art" on-air and production studios in the City of Toronto.

In Montreal too, your Radio Division is making substantial investments in improved broadcast facilities. CJAD and CJFM-FM are in the process of moving to new and modern premises to further enhance their high profile in the Greater Montreal scene.

CJAD took on the challenge of a difficult market and economy. In particular, its news and public affairs programming earned the commendation both of its listeners and the C.R.T.C.

CJFM-FM goes from success to success. Serving its young adult market, it set and surpassed ambitious targets for both audience and revenues and views the future with verve and confidence.

Subject to the approval of the C.R.T.C., your Corporation recently agreed to purchase from the Burgoine family interests, radio stations CKTB-AM and CJQR-FM in St. Catharines, Ontario. We also hope to be given the opportunity of bringing to the people of Ottawa in the near future an exciting new AM radio station on the frequency of 540 KHz. Hearings on both applications are expected early in 1981.

TELEVISION DIVISION

After close of business on August 31st, 1980, Bushnell Communications Limited of Ottawa became a wholly-owned subsidiary of your Corporation, completing the acquisition program commenced in 1975. It is with pleasure that your Directors report another strong year for Bushnell under the leadership of Mr. L. M. Nichols.

CJOH-TV, the pride of your Television Division, dominates viewing in the

National Capital Region and in the Ottawa and Seaway Valleys. CJOH serves its audience with high quality news and community service programming in addition to CTV network coverage. Despite disappointing performance by the network, which impacted negatively upon CJOH results, CJOH-TV reports a healthy increase in air-time billings in 1979/1980 and enters the new year with strong advance sales bookings.

Production activities were at record levels in both Ottawa and Toronto. In demand by Canadian and U.S. networks alike, were the mobile TV facilities of Carleton Productions of Ottawa, and in Toronto, VTR Productions, under the umbrella of Yorkville Studio Centre Limited, achieved new records for revenues and profits. And the market for your company's production facilities is expanding with the advent of Pay Television in Canada.

An outstanding success was Yorkville's "Video House" which distributes to the public and through dealers, such videotaped movies as "The Sound of Music" and "10".

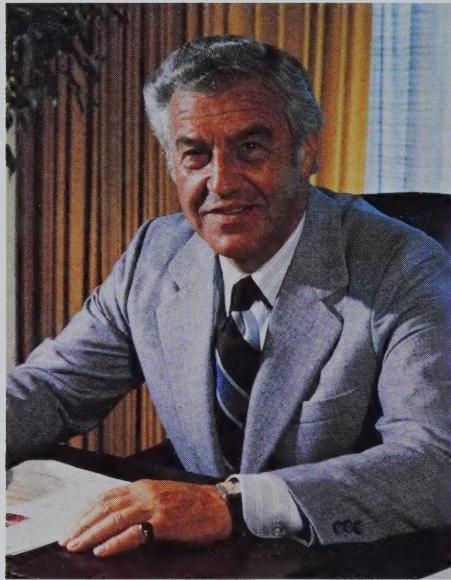
Eastern Sound did not enjoy a strong year due in large measure to the general weakness in the worldwide music industry, but the unique combination of highly professional audio and visual facilities under one roof gives us cause for optimism.

Bushnell has cable television interests in the Ottawa/Hull area, through wholly-owned Télécâble Laurentien Inc., and through Skyline Cablevision, (44% owned). Both cablesystems applied for rate increases and if approved should continue to show satisfactory progress.

SALES DIVISION

Your Corporation's Sales Division, headed by Mr. Richard R. Moody, established significant gains in both radio and television advertising time sales in the past year and contributed materially to group earnings.

Standard Broadcast Sales Company Limited has expanded its list of clients and now serves 22 broadcasting stations located in the major cities of Canada.



H. T. McCurdy

The Corporation's American based subsidiary, Canadian Standard Broadcast Sales, Inc., as sales agents for an extensive list of Canadian radio and television stations, exceeded the record profit level established last year.

INTERNATIONAL DIVISION

UNITED KINGDOM

While in percentage terms, earnings from the U.K. did not parallel the dramatic growth of prior years, your U.K. operations continue to make a significant contribution to group profits. The U.K. economy has been weak and inflation severe in the last year. Commercial radio, a relative newcomer to the advertising scene, had difficulty in maintaining its position in such an economy against competition from the more mature media.

Sales of air time by Broadcast Marketing Services Limited were affected both by the economy and by the termination, effective September 30th, 1979, of the representation contract of Capital Radio Limited.

During the past year, BMS added 3 stations to its list of station clients. It hopes to add more in the near future.

Your Corporation reaffirms its confidence in the long term future of private radio in the United Kingdom. Standard now has equity positions in 14 private radio operating companies and continues to seek opportunities to assist in the further growth of independent radio.

ITALY

In Italy too, your Corporation seeks broadcast investment opportunities. During the year, Standard established, in partnership with highly respected Italian interests, a national sales representation company based in Milan. That company, S.P.E.R. Societa Pubblicita Emissenti Radiofoniche S.p.A., commenced operations in June 1980 and now represents nationally a significant number of independent Italian radio stations.

Your Corporation, with its similar U.K. experience, is uniquely placed to contribute to the relatively young Italian private broadcasting industry.

OTHER ACTIVITIES

Standard Broadcast News provides to your Radio Division and to more than 50 other radio outlets in Canada a news service of unexcelled quality. As highlights of the year, SBN listeners coast to coast received via expanded Ottawa studios, extensive coverage of the Winter Olympics in Lake Placid, the Quebec Referendum and the Federal Election.

The **Canadian Talent Library**, managed by Standard Broadcast Productions Limited, records quality music for Canadian broadcasters and assists those stations in complying with C.R.T.C. Canadian Content Regulations. CTL's latest recording of Don Thompson is the 234th recording CTL has produced in its 18 years of support and encouragement of Canadian musical talent.

Standard Sound Systems Company Limited of Montreal enjoyed a year of steady progress. That company holds the Muzak franchise for Quebec and Eastern Canada and markets also communications systems for school, industrial and hospital use.

OUTLOOK

Your Directors are well satisfied with the financial results of 1979/1980, a year during which earnings were under pressure both from inflation and the soft economy. And, subject to those continuing pressures, the outlook for the current year appears favourable.

Your Corporation is strong. New investment opportunities will be investigated. The full potential of existing properties will be pursued. With its dedicated employees and associates, whose outstanding contributions we gratefully acknowledge, Standard faces the future with confidence and optimism.

On behalf of the Board

G. MONTEGU BLACK
Chairman

H. T. McCURDY
President

The face and the voice of this man have been known to millions of listeners to CFRB since 1942 . . . a human being and news commentator of extraordinary talents . . . in him reside the best qualities of the Canada he loves. Independence . . . honesty . . . self-reliance . . . and a remembrance of the events and the people who made Canada great. He is a man of passion and compassion . . . a man who has brought honour to the trade of electronic journalism.

He is CFRB's GORDON SINCLAIR





Mississauga Train Derailment

Fire! It erupted in the City of Mississauga in the early hours of November 10, 1979, as a train carrying a deadly cargo of poisonous chemicals left the tracks and threatened death and destruction to a quarter of a million men, women and children on the borders of Metropolitan Toronto. Within minutes of the explosion, Prior Smith of the CFRB News Department was on the scene . . . talking to firemen, police and civil authorities . . . warning of the danger to life and property and beginning a life watch on one of the most dramatic news stories of the decade. The CFRB News Department marshalled its resources of men and equipment and began its objective, responsible,

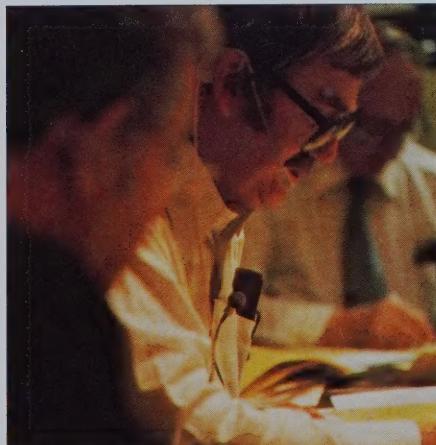
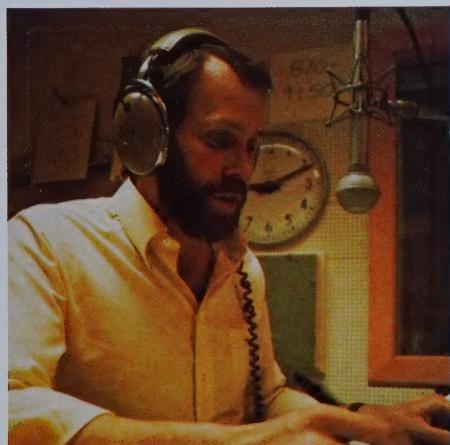
authoritative coverage of the greatest evacuation of humans since World War II . . . the removal from their homes of 250,000 people without the loss of a single human life.

The story extended over seven tension-filled days . . . and interrupted CFRB's normal programming hour after hour. Every member of the station's News Department made a contribution to the team effort.

The story had a happy ending both for the City of Mississauga and the CFRB News Department. The residents of the City returned in safety to find their homes intact and the story of CFRB's comprehensive coverage earned the station three outstanding news awards.

Their peers in the Radio and Television News Directors Association rewarded CFRB with regional and national news awards . . . and the Canadian Association of Broadcasters provided the supreme accolade — the H. Gordon Love Award,

the most prestigious news trophy given to Canadian broadcasters, both radio and television. Pictured are key members of the CFRB news team which, with the help of many others on the station staff, recorded another proud moment in the history of Ontario's authoritative news voice.



▽ Left to Right:
Newsdirector, Don Johnston;
Torben Wittrup; Prior Smith;
Hal Vincent; Ken Cox.

△ News car at derailment site.

◀◀ Prior Smith

◀ Torben Wittrup



BUSINESS
COMMUNICATIONS
LIMITED
A STANDARD BROADCASTING COMPANY

Bushnell Communications Limited

1980 was a significant milestone in the history of Bushnell Communications Limited. In that year, Bushnell commenced its 20th year of service to the people of Ottawa, and became a wholly-owned subsidiary of Standard Broadcasting Corporation Limited of Toronto.

Bushnell Communications was the brain-child and bears the name of Mr. Ernie Bushnell whose distinguished career in Canadian broadcasting spans six decades. "Bush" as he is known to his friends, is now 80 years of age, and as a director and as Honorary Chairman still counsels the company he founded.

From small beginnings, Bushnell Communications has grown dramatically over the years. The company headquarters is on Merivale Road in Ottawa (picture opposite) and from this office is administered a widespread group of broadcast related enterprises.

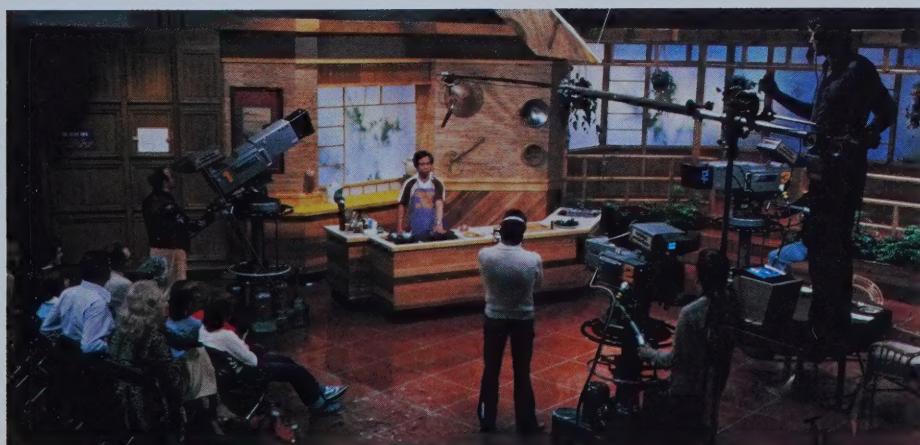
Principal among those enterprises is CJOH-TV of Ottawa which provides English language television services to the National Capital Region and throughout the Ottawa and Seaway Valleys. CJOH has for many years been the predominant choice of viewers in its service area. We believe that news integrity and CJOH's commitment to quality programming and to its service area are the principal reasons for its success.

In both Ottawa and Toronto, Bushnell operates extensive production facilities. Television programs such as "MAGIC", "BANG BANG YOU'RE ALIVE" and "WOK WITH YAN" (picture below) are produced by Carleton Productions in Ottawa. And Carleton's mobile facilities are used to bring to Canadian and U.S. viewers such sport spectacles as the "Winter Olympics" and "Wide World of Sports". In Toronto, the hub of Canada's production, VTR and Eastern Sound operate thriving video

and audio studios under a single roof on Yorkville Avenue.

Bushnell Communications has cable television interests also. Télécâble Laurentien Inc. and Rockland Cablevision together serve approximately 21,000 subscribers in Hull, Quebec and Rockland, Ontario. Skyline Cablevision (44% owned by Bushnell) serves approximately 75,000 subscribers in the city of Ottawa.

Standard is pleased to recognize Bushnell Communications' many and varied achievements in its 20 years of service, and is proud to welcome Bushnell to its group of wholly-owned companies, all of whom are committed to the one theme "Quality in Broadcasting".



△△Newsline Nightline Personalities
Left to Right: Brooke McNabb,
Max Keeping, Al McGregor

△Half Million Mark –
Ottawa Civic Hospital Telethon

△Wok with Yan
Studio Production

Consolidated Balance Sheet as at August 31, 1980

Assets		(thousands of dollars)	
	1980	1979	
CURRENT ASSETS			
Cash	1,443	500	
Short-term investments	—	500	
Accounts receivable	9,914	9,302	
Program exhibition rights — prepaid	1,057	1,195	
Prepaid expenses and other assets	1,892	1,317	
Mortgages — current portion	35	35	
	14,341	12,849	
INVESTMENTS (note 4)	6,769	5,670	
FIXED ASSETS			
Buildings and equipment	30,740	26,544	
Accumulated depreciation	16,859	14,770	
	13,881	11,774	
Leasehold improvements, less amortization	500	569	
Land	4,394	4,394	
	18,775	16,737	
INTANGIBLE ASSETS			
Franchise — at cost	531	531	
Goodwill, less amortization	5,217	5,287	
	5,748	5,818	
	45,633	41,074	

**Auditors' report
to the shareholders**

Liabilities

	(thousands of dollars)	
	1980	1979
CURRENT LIABILITIES		
Bank advances	966	1,747
Accounts payable and accrued liabilities	4,386	3,609
Dividends payable	707	707
Program exhibition rights payable	94	125
Income taxes	223	1,224
Long-term liabilities — current portion	1,854	350
	8,230	7,762
LONG-TERM LIABILITIES, less current portion (note 5)	4,952	6,805
DEFERRED INCOME TAXES	2,437	1,544
MINORITY INTEREST	51	79
	15,670	16,190
 Shareholders' Equity		
CAPITAL STOCK		
Authorized — unlimited number of shares without nominal or par value		
Issued and fully paid — 5,661,000 shares (1979 — 5,653,500 shares) (note 6)	1,561	1,478
RETAINED EARNINGS	28,402	23,406
	29,963	24,884
	45,633	41,074

We have examined the consolidated balance sheet of Standard Broadcasting Corporation Limited as at August 31, 1980 and the consolidated statements of earnings, retained earnings and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these consolidated financial statements present fairly the financial position of the corporation as at August 31, 1980 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

COOPERS & LYBRAND
Chartered Accountants
Toronto, Canada
November 4, 1980

Signed on behalf of the Board:
G. MONTEGU BLACK
H. T. McCURDY
Directors

Consolidated Statement of Retained Earnings

For the year ended August 31, 1980

	(thousands of dollars)	
	1980	1979
BALANCE — BEGINNING OF YEAR	23,406	19,706
Net earnings for the year	7,823	7,232
	31,229	26,938
Dividends declared	2,827	3,532
BALANCE — END OF YEAR	28,402	23,406

Consolidated Statement of Earnings
 For the year ended August 31, 1980

	(thousands of dollars)	
	1980	1979
GROSS REVENUE	54,447	48,600
EXPENSES		
Talent fees, salaries and wages of employees, inclusive of fringe benefits	19,707	17,676
Other operating costs and expenses	19,084	15,841
Interest —		
Long-term (note 5)	727	790
Other	102	188
Depreciation and amortization	2,199	1,901
	41,819	36,396
EARNINGS BEFORE INCOME TAXES, EQUITY EARNINGS AND MINORITY INTEREST	12,628	12,204
PROVISION FOR INCOME TAXES		
Current	5,520	5,943
Deferred	865	277
	6,385	6,220
EARNINGS BEFORE EQUITY EARNINGS AND MINORITY INTEREST	6,243	5,984
EQUITY IN EARNINGS OF ASSOCIATED COMPANIES	1,624	1,306
	7,867	7,290
MINORITY INTEREST IN EARNINGS OF SUBSIDIARY COMPANIES	44	58
NET EARNINGS FOR THE YEAR	7,823	7,232
EARNINGS PER SHARE (note 6)	\$1.38	\$1.28

**Consolidated Statement of Changes
in Financial Position** — For the year ended August 31, 1980

	(thousands of dollars)	
	1980	1979
SOURCE OF FUNDS		
Net earnings for the year	7,823	7,232
Items not requiring cash outlay —		
Depreciation and amortization	2,199	1,901
Deferred income taxes	892	324
Equity in earnings of associated companies, net of dividends		
(\$963,267; 1979 — \$682,930)	(660)	(624)
Minority interest in earnings	44	58
Provided from operations	10,298	8,891
Issue of shares	83	109
Issue of promissory notes	—	6,000
	10,381	15,000
USE OF FUNDS		
Investments	585	257
Dividends paid to minority interest	2	33
Reduction in long-term liabilities	1,854	6,759
Additions to fixed assets	4,089	4,378
Dividends declared	2,827	3,532
	9,357	14,959
INCREASE IN WORKING CAPITAL		
WORKING CAPITAL — BEGINNING OF YEAR	1,024	41
WORKING CAPITAL — END OF YEAR	6,111	5,087

Notes to Consolidated Financial Statements

For the year ended August 31, 1980

1. Summary of Significant Accounting Policies

(a) Principles of consolidation

The consolidated financial statements, which are prepared in accordance with accounting principles generally accepted in Canada and conform in all material respects to International Accounting Standards, include the accounts of Standard Broadcasting Corporation Limited and its subsidiary companies, of which all are wholly-owned with the exception of Bushnell Communications Limited ("Bushnell"; 99.7%-owned at August 31, 1980).

(b) Investments

These accounts include the corporation's share of post acquisition results where the corporation owns more than 20% of the equity of any investee and is able to exercise significant influence over the investee.

Other investments are carried at cost.

(c) Translation of foreign currencies

Foreign currency accounts have been translated into Canadian dollars on the following basis:

(i) Current assets and current liabilities:

At the rates of exchange as of August 31, 1980.

(ii) Fixed assets, related depreciation and long-term investments:

At rates of exchange prevailing at dates of acquisition.

(iii) Revenue and expense items, excluding depreciation:

At average rates of exchange over the year.

(d) Program exhibition rights

The costs of acquiring broadcast rights of feature films and syndicated programs are presented as an asset only when they are prepaid and as a liability when such rights are used in excess of payments made to date. The rights are charged to operations as the films and programs are broadcast and are written off when deemed of no value.

(e) Fixed assets

Land, buildings, equipment and leasehold improvements are recorded at cost. Depreciation is charged generally by the straight-line method, based on the estimated useful lives of depreciable assets at the following rates:

Buildings — 2.5%-5%

Broadcasting equipment — 5%-7.5%

Production equipment — 10%-12.5%

(f) Goodwill

Goodwill is amortized from the date of purchase over its estimated life, not exceeding 40 years.

(g) Income taxes

Income taxes are provided, at current rates, for all items included in the statement of earnings regardless of the period when such items are reported for income tax purposes. The principal items which result in timing differences for financial and tax reporting purposes are depreciation and income tax losses to be carried forward to future years. No adjustment is made to deferred income tax accounts for subsequent changes in income tax rates.

2. Segmented Information

The corporation operates principally in the communications industry supplying primarily broadcasting and related services.

3. Mortgages Receivable

The corporation has advanced mortgage funds to key employees with varying repayment terms not exceeding 20 years.

4. Investments		(thousands of dollars)	
		1980	1979
Skyline Cablevision Limited — shares at equity	2,259	2,262	
CTV Television Network Limited — shares at cost	178	178	
Other shares including U.K. companies —			
At cost	858	532	
At equity	2,460	1,797	
Mortgages and miscellaneous loans, less			
current portion	1,014	901	
	<u>6,769</u>	<u>5,670</u>	

5. Long-Term Liabilities

(thousands of dollars)
1980 1979

Unsecured 10 3/4% promissory notes			
\$1,500,000 principal due September, 1980			
and balance September, 1981	6,000	6,000	
7 1/4% mortgage due 1981	52	100	
Conditional sales contracts	754	1,055	
	<u>6,806</u>	<u>7,155</u>	
Less: Due within one year	1,854	350	
	<u>4,952</u>	<u>6,805</u>	

6. Stock Options

During the year, 7,500 shares were issued for \$82,500 cash upon exercise of stock options previously granted, increasing the number of shares issued and fully paid to 5,661,000. All outstanding options were issued at the market price on the day granted. There would be no material dilutive effect on earnings per share should all options be exercised. The following stock options were outstanding at August 31, 1980:

Expiry Date	Officers	Total	Option Price
August, 1983	42,500	42,500	\$11.00

121,500 shares are reserved for future options.

7. Long-Term Leases

At August 31, 1980, the corporation was obligated under long-term leases to pay maximum annual rents of approximately \$710,000. The corporation has no obligation under these leases beyond the year 1996.

8. Purchase Commitments

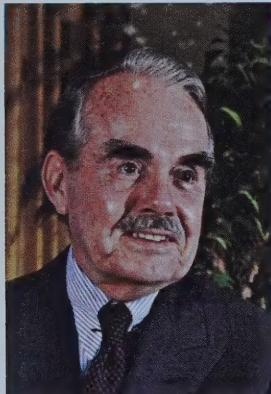
At August 31, 1980, a subsidiary company has commitments for the purchase of program exhibition rights not reflected in these financial statements amounting to \$2,500,000 (1979 — \$1,900,000) of which \$1,700,000 (1979 — \$1,200,000) is due in instalments within the next twelve months.

9. Subsequent Events

(a) At a special meeting held July 31, 1980, the shareholders of Bushnell approved the amalgamation of Bushnell with CJOH Broadcasting Limited, a wholly-owned subsidiary of Bushnell, and 448704 Ontario Limited, a wholly-owned subsidiary of the corporation. As a result of such amalgamation, which became effective after close of business on August 31, 1980, Bushnell became a wholly-owned subsidiary of the corporation. 3,811 shares of the corporation were issued pursuant to this transaction, increasing the number of shares issued and fully paid to 5,664,811.

(b) On October 14, 1980, and subject to the approval of the Canadian Radio-television and Telecommunications Commission, the corporation agreed to purchase the broadcast assets of The St. Catharines Standard Limited. Such assets comprise radio stations CKTB-AM and CJQR-FM, St. Catharines, Ontario.

Directors of Standard Broadcasting Corporation Limited



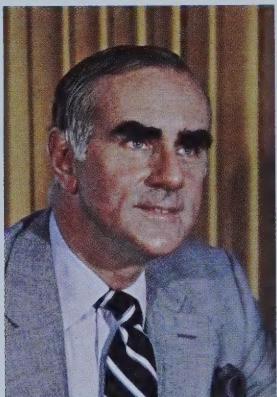
Dixon S. Chant



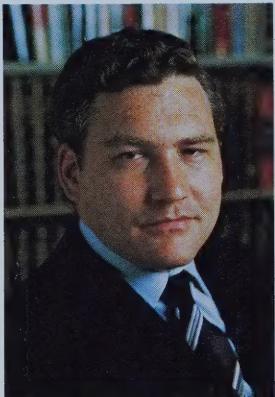
Left to Right: John R. Storar, G. Montegu Black, H. T. McCurdy



M. Brian Mulroney



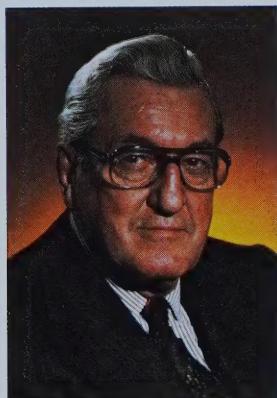
H. N. R. Jackman



Conrad M. Black



W. Leo Knowlton



Pierre P. Daigle



Donald H. Hartford



G. Allan Burton



Jacques J. Giasson



Lawrence M. Nichols



Richard R. Moody

Five Year Comparative Statement of Earnings

(in thousands of dollars)

	1980	1979	1978	1977	1976
Gross revenue	54,447	48,600	42,364	36,984	31,406
Operating costs and expenses	39,620	34,496	30,049	25,828	21,409
Depreciation/ amortization	2,199	1,900	1,606	1,388	1,403
Operating profit	12,628	12,204	10,709	9,768	8,594
Equity in earnings of associated companies	1,624	1,306	724	454	392
	14,252	13,510	11,433	10,222	8,986
Minority interest	44	58	696	715	541
Income taxes	6,385	6,220	5,187	4,827	4,188
Net earnings	7,823	7,232	5,550	4,680	4,257
Dividends declared — regular	2,827	3,532	2,817	2,815	2,111
— extra		—	—	225	—
Earnings per share, based on number of shares outstanding at year end	\$ 1.38	\$ 1.28	\$.98	\$.83	\$.76

Directors of Principal Subsidiaries

Bushnell Communications Limited

Ernest L. Bushnell, Hon. Chairman
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